EXHIBIT F

THE UNITED STATES DISTRICT COURT

IN AND FOR THE DISTRICT OF DELAWARE

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HONEYWELL INTERNATIONAL, INC. et al. Plaintiffs, v. AUDIOVOX COMMUNICATIONS CORP., et al. Defendants.	:	CIVIL ACTIONS NO. 04-1337 (KAJ)
HONEYWELL INTERNATIONAL, INC. et al. Plaintiffs, v. APPLE COMPUTER, INC., et al., Defendants.	:	NO. 04-1338 (KAJ)
OPTREX AMERICA, INC., Plaintiff, v. HONEYWELL INTERNATIONAL, INC. et al. Defendants.	:	NO. 04-1536 (KAJ)

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Wilmington, Delaware
Friday, July 21, 2006 at 11:03 a.m.
TELEPHONE CONFERENCE

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BEFORE: HONORABLE **KENT A. JORDAN**, U.S.D.C.J.

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P R O C E E D I N G S

REPORTER'S NOTE: The following telephone conference was held in chambers, beginning at 11:03 a.m.)

THE COURT: Hi, this is Judge Jordan. Who do I have on the line?

MS. HEANEY: Good morning, Your Honor. It's Julie Heaney for Honeywell. I'm covering for Tom Grimm this morning; and from Robins Kaplan, we have Martin Lueck, Matthew Woods and Stacie Oberts.

MR. MORRIS: Also, John Day for Honeywell in the 1337 action, Your Honor.

THE COURT: All right.

MR. HORWITZ: Good morning, Your Honor. This

is Rich Horwitz at Potter Anderson for a number of the defendants. With me for Boe-Hydis, Kevin O'Brien; for Hitachi, Neil Sirota and Robert Maier; for Phillips, we have Nelson Kee; for TPO and Wintek, York Faulkner and Elizabeth Niemeyer; and for Samsung, Elizabeth Brann.

MR. ROVNER: Your Honor, this is Phil Rovner for defendant Fuji Photo. With me on the line is Lawrence Rosenthal, Matt Siegal, I believe, and Kevin Ecker.

MR. WADE: Good morning, Your Honor. It's Bill Wade for Arima Display. With me on the phone is Dan Hu.

MR. HALKOWSKI: Good morning, Your Honor. This is Tom Halkowski with Fish & Richardson on behalf of the Casio defendants. With me on the line are John Johnson from our New York office.

MR. SQUIRE: Good morning, Your Honor. This is Monte' Squire from Young Conaway representing defendant Quanta Display. With me on the line are Peter Weid and Hua Chen from Paul Hastings in Los Angeles.

MS. PASCALE: Your Honor, this is Karen Pascale from Young Conaway for Optrex America, the plaintiff in the 1536 action. And on the line, my co-counsel from Oblon Spivak is Alex Gasser and John Presper.

MR. MARSDEN: Good morning, Your Honor. William Marsden from Fish & Richardson for defendant ID Tech.

MR. SHAW: Good morning, Your Honor. John Shaw

for defendant Sony Corporation. With me from Kenyon & Kenyon, John Flock and Bob Hails.

MS. POLESKY: Good morning, Your Honor. Joelle Polesky on behalf of Seiko Epson and Sanyo Epson Imaging Devices. On the line is our co-counsel Robert Benson from Hogan & Hartson.

MR. McMILLAN: Good morning, Your Honor. It's Jay McMillan for Citizen Watch Company and Citizen Displays Company.

THE COURT: Anybody else?

Well, we're here to deal with a few issues. And if you've got me on speaker, you may need to pick up because, particularly if you are going to be speaking, it makes it difficult for me to keep the conference call on track if I can't insert myself in the discussion. And if you're moving papers around next to your telephone, that also can cause some interference or noise that makes it hard to hear.

Why don't we start with the first sort of fundamental problem it looks like we're dealing with here which is the assertion on both sides that discovery isn't moving forward. I've got of the defendants saying to me, Honeywell won't give basic contention discovery with respect to its infringement positions, nor will it provide discovery without assurances that discovery won't be shared among

defendants. And I take it that the defendants disagree with both those positions that they view Honeywell as having taken. And on the other side, I have Honeywell arguing to me that the defendants are just failing to provide some basic information with respect to the same or similar versions of accused devices.

So, let me start by asking Honeywell some questions here. First, I assume, of course, that you have read your opponents' correspondence. Who is going to be speaking for Honeywell on this?

MR. LEUCK: Your Honor, this is Martin Lueck. I had planned to address the issues of Honeywell's discovery that we are seeking from the defendants. Mr. Woods has been more involved in the Honeywell discovery going in the other direction and is prepared to speak to that.

THE COURT: Well, Mr. Lueck, I'll give you first crack. You've seen the opponents here come forward and say you've essentially posed discovery that says tell us everything that fits our patent. Even though you haven't framed it in that particular language, you've taken the elements of the claim, framed it as a discovery response and served it on all manufacturers. And that the defense says that's not what I had ordered. I had ordered that you, in some fashion, tie the request for additional versions to identified models. What is your response to that

argument?

MR. WOODS: Your Honor, this is Matt Woods. Mr. Lueck asked that I look into this particular one issue.

We believe, Your Honor, that the discovery that Honeywell is asking for is narrowly tailored to go to the heart of the infringement claim, to remove any burden upon defendants and to essentially avoid any type of prejudice to Honeywell, should discovery be limited in a way that could eventually or could be argued down the road as effecting some type of claim splitting and ultimately res judicata.

Honeywell has endeavored, in keeping with the exchange that Your Honor had with Mr. Lueck back in September, and the Court's October 7th order, to narrowly define the discovery to those modules which are substantially the same as those that were identified in the prior correspondence that was submitted last year. The patent, Claim 3 of the '371 patent in particular, has some very discrete elements and is very straightforward. The discovery that we are seeking is well known in the industry to the extent that what we are asking for are modules that have four basic elements.

THE COURT: Yes, I read your papers. So I understand your position that, hey, we're just asking them to tell us whether they've got things that meet these elements. I mean that much is clear to me. I'm trying to

get you to respond to the assertion that this does not square up with the obligation to tie your discovery requests to specifically identified models. In other words, as the defense reads my previous statements and orders, they say, hey, judge, you told these people they're not allowed just to say to us, in effect, tell us what infringes. They have to identify a product and then they can ask about it. And then we had a further discussion where you said, well, what about later versions or other versions and how would you identify such versions? And that the crafted attempt to meet Honeywell's concern was to say if you can ask about versions that are linked to identified models, that would be okay. And, judge, they've gone outside that. Now all they've done is propounded discovery that says tell us, again tell us what you have that infringes.

That's the argument I'm trying to get you to meet. So it's not helpful to me at this juncture for you to characterize it as narrowly drawn, et cetera. I need you to go back into the history of the case and tell me how what you are asking for is actually based on what went before today in the case.

MR. WOODS: Yes, Your Honor. And I will do so, because I believe that history is exactly on point with what brings us here today.

Back in September 9th, when we were having the

discussion with the Court on this very issue, Mr. Lueck had an exchange with Your Honor with regard to the amount and the type of discovery that we believed was appropriate. And that exchange can be found on page 31 of the September 9th transcript.

Your Honor specifically asked Mr. Lueck: Well, when you say the same or similar, what do you mean? Mr. Lueck explained exactly what he meant by that and, incidently, or not coincidentally, that is the exact scope of discovery that we have put in to written discovery. And Your Honor said: All right. Does everybody understand the discovery I'm telling them they're entitled to?

We took that exchange as it was then embodied in the Court's order of October 7th and used that as the basis for the written discovery.

One of the outstanding issues that have been raised historically in the past is that the customer defendants, those who are now stayed, were not in a position to comply with the Court's October 7th order because, as I believe Mr. Horwitz himself pointed out in the September 9th hearing, they didn't know. They didn't know what was substantially the same, or at least they claimed not to. And so we were faced with a situation where, based on the exchange from the September 9th hearing and the Court's order which recognized, as we view it, Your Honor, that

the LCD modules that are substantially -- that have substantially the same structure are in fact relevant to the analysis.

THE COURT: Did you --

MR. WOODS: The question then, of course, is what does it mean to be substantially the same?

THE COURT: Yes, that's right. The question is what does it mean to be substantially the same?

MR. WOODS: And, Your Honor, that is exactly the criteria that were discussed on page 31 of the September 9th hearing.

THE COURT: Right, and it seems to me that maybe you're reading this without having read the previous three pages of the transcript, which I have also re-read.

But let me have you hold right there for a second, Mr. Woods. I'll give you another crack at this but on this specific point about what the parties understood coming out of that hearing, I understand, I think, what Honeywell is saying it got from that September conference and why it's framed its discovery as it has.

Let me have somebody -- not everybody. There needs to be a designee on behalf of the defendants here to address the defense perspective on this. Who is speaking for the defense?

MR. HORWITZ: Your Honor, it's Rich Horwitz.

I don't have too much to say, Your Honor, because I think you framed it exactly. I think that what Mr. Woods is doing is basically repackaging what we've gone over a few times before to try to require us, the defendants, to have the burden of going through all of our products. And if you look at that transcript in its entirety, you look at the October order and you look at what Your Honor told us later, which we've also quoted to the Court in my July 20th letter in May of 2006, it's clear from our perspective, and I think from the record, that what the Court was talking about was the prior and later versions and not simply the language that parrots the claim language. And what we have asked Honeywell to do is for those products that it's already broken down, tell us how they infringe. Point us to specific things that meet a specific limitation. And to the extent we have been able to determine what an earlier or later version is, that would inform us in making that decision but it would not require us, which is what they're doing now under what they say is removing the burden, it's doing exactly the opposite, Your Honor. What they want you to do is just give them everything, which Your Honor has told them a number of times is not the way discovery works.

THE COURT: All right. Go ahead, Mr. Woods. Your crack.

MR. WOODS: Yes, Your Honor. I would disagree with Mr. Horwitz for the following reasons: First of all, the prior discussion was done in the context of changing the focus from end products to modules. And if we're going to look at the history of the case, there is a translation function that needs to occur here because, as Your Honor well knows, the first round or the first group of defendants were in end product manufacturers and so Your Honor's comments and the discussions were framed in that context.

The question becomes, clearly, there was a sense that we were entitled to more discovery than just those that were expressly identified. And the question then becomes to what extent. Mr. Horwitz has said there is some kind of mystery about our claim. We have endeavored to show and have explained to them --

THE COURT: Well, hold on. We're going to talk about your contention, the adequacy of your contention interrogatory responses in a moment. And I'm rejecting, I'll just tell you right now, I'm rejecting the notion that the defense response to discovery depends upon how you respond to their discovery. I'm not going to have any more of this you go first stuff. I tried to say that to you folks repeatedly. So those things aren't linked in my mind and you don't have to argue about them being linked.

Right now, I'm just giving you your last

opportunity to explain to me why you think the way you framed your demand for additional discovery from these folks is correct in light of what we've had to say to each other over the course of a few meetings and many, many months.

MR. WOODS: Your Honor, thank you. And we would respectfully submit that if you look at that whole exchange, as Mr. Horwitz was suggesting, there was clearly a sense, as we believe we're entitled to under the law, to get some discovery about modules other than those that have been expressly located and expressly torn down and expressly identified.

THE COURT: And now, when you say you are entitled to under the law.

MR. WOODS: Correct.

THE COURT: Well, you know what?

MR. WOODS: Your Honor?

THE COURT: I guess I'm trying to pull from you where you think this is linked to my instructions to you folks that you had an obligation to tell people, look, this is your product. We think it infringes. Here is why. You know, we're accusing you of infringing. We've got something that we believe infringes. That ought to be the baseline. Everybody should have understood that from what I've said to people repeatedly.

MR. WOODS: Correct.

THE COURT: Now, they are saying you have unmoored your discovery from that foundation, and you have heard Mr. Horwitz explain why they believe that. I'm trying to get you to explain to me how it is you are rooted in that foundation, because that is the foundational principle from which I am operating.

MR. WOODS: Yes, Your Honor. The request we have made absolutely is rooted in the foundation. We identified a series of modules that have been torn down and are accused of infringement. As we have told defendants, those modules have the following criteria. They are back lit. They have an LCD panel and they have two particular arrays, at least one of which misaligned, and that is the commonality amongst everything that has been identified and torn down. And that is how we, Honeywell, understood the term "substantially the same" to be implemented in the Court's order.

So we have said to defendants we are asking you to identify those modules which are substantially the same as those which were expressly identified by model number and the way we are defining "substantially the same" is as Mr. Lueck and you discussed at the September 9th hearing on page 31 where we are trying to provide objective criteria for doing that analysis.

And so we have in fact moored our request for

discovery not for some fishing expedition, not for everything under the sun but rather take those modules that have been expressly identified and look at these features. And we are asking for everything that has those same features.

THE COURT: Okay. I have your position and I can only apologize to the parties because to the extent I've been unclear before, it's not been intentional. I just can't agree with Honeywell here because I'm bound, I think, to agree that what you have done is to say, under the rubric of "substantially the same," is to just recast as a discovery request, tell me everything that infringes my claim. And that is precisely that I have been trying to avoid in this matter, because I view that as a reversal, a basic reversal of the obligation of parties in litigation.

You know, maybe I'll turn out to be wrong about this but I don't think you can go to somebody and say I'm suing you and now tell me why I'm suing you, which is what in effect this discovery demands. And I had attempted previously to say, as clearly as I knew how but evidently not clearly enough, you identify what the problem is and they'll have to respond to that. And then Mr. Lueck, as a skillful advocate, would have said, well, there may be versions of this very same device which we can't say by model number because if we're one letter off -- now, I'm

interpolating, not precisely quoting what he had to say. If we're one letter off or one number off in the alphanumeric sequence in the model number, they could say, well, you didn't ask about that and that's not fair, and I was agreeing well that isn't fair. You know, if you've got a next generation of the very thing you've produced, the fact that you can't name it with precision using the alphanumeric sequence attached to that make or model number shouldn't prevent you from getting discovery on that.

That was not intended to open the door for you to say, now, and anything else that meets the claim language, tell us about that, too. I don't view that as proper discovery. I mean that turns the process on its head and I'm just not having it.

So to the extent I left people thinking that was the problem or the way I wanted you to proceed, I apologize because it isn't. And I reject the assertion that this raises res judicata problems for you or claim splitting. If you sue them on a specific thing and in the course of discovery, they don't tell you about a different product, nobody I think in their right mind is going to say, well, you gave up a claim against that accused product because you never had the chance to accuse it. So I view that as a red herring.

So I'm hoping this is clear enough in telling

people, Honeywell, if you want to sue people, fine, sue them. But have in mind exactly what it is you're accusing them of doing. And that means if you say they've produced an accused device, you need to have some basis for saying they have an accused device and ask them, okay, tell us about this accused device. You can't say to them, look across your product line and tell us everything that meets our claim language.

So have I been clear enough? You could disagree with me, obviously, that this is a correct or an appropriate approach but at least you understand what I'm getting at now, Mr. Lueck and Mr. Woods?

MR. WOODS: Your Honor, we certainly understand. And I, with Your Honor's indulgence, just have to ask if I could just say one thing, please, because we do respectfully disagree with the Court about the concern about the potential for res judicata here. We do recognize that there is law out there like the Sharp case that has been cited that talk about the standard for getting additional module model numbers in an industry where models change.

We have proposed to the defendants we're willing to buy their modules. We're willing to buy it. Historically, you can't get these things any more and yet they're still within the statute of limitations period. For all these reasons, because respectfully we believe what Your

Honor is doing is having a tremendously prejudicial effect upon Honeywell's claim, we would respectfully be allowed to brief this issue. We understand where the Court is going. Nevertheless, we feel obligated to create a record here.

THE COURT: You've got a record. You have a record which is adequate for review. I don't think any reviewing court is going to look at this and say you didn't make your position clear. I don't need any more paper on this. You don't need to persuade me that you have a position and you think the position is well founded. My job is not to say to you, to every party that has got a position well, okay, go ahead and give me another 40 pages of paper about it. We have been over this now. This is at least the third time I have taken a crack at this. And I've done it in print and I've done it orally and I just don't need more paper on it.

It could be I'm wrong. I certainly get reversed; to my chagrin, I do; but I don't think you've got the better of it. I think I understand the argument that you've made and what I'm telling you is you don't have the better of the argument in my view. So let's move forward with the case you've got.

MR. WOODS: Yes, Your Honor. One final point of clarification.

You had asked if we understood. Is it Your

Honor's view that Honeywell is entitled to any discovery beyond those modules expressly identified? And if so, could Your Honor clarify for us exactly where that goes?

THE COURT: I'm not sure I can clarify it any more than I have. And I'll have to confess to you that we're in a region where apparently I haven't been clear before. I have tried to say, and, you know, the fact is I don't know that I can say it any better than I just said it, which is going to be in this transcript and you can take a look at it.

The point is to avoid people having to dodge behind a particular sequence of numbers associated with an alphanumeric make or model identification. You wanted to know initially, my recollection is, you were trying to make sure that they didn't dodge appropriate discovery by having a next generation of a model that you had identified but which you couldn't identify with precision because you didn't happen to know that particular model number, whatever it is.

That's the kind of thing that I think is fairly within the ambit of further discovery. You identify something specific and then you can inquire about generational changes or additions to something that you've identified. But you can't take that which I have tried to give you as a fair ambit beyond a specific piece of hardware that you know

about and turn it into what you have, which is here is our claim language. Tell us what you've got that infringes. That's what you have done in effect. I agree with the defendants, that's what you have done in effect, and that's what I'm telling you you can't do. So please take what I have given you, do your best with it.

I'm expecting the defendants to play fair on this. Mr. Horwitz, do you understand what I'm asking?

MR. HORWITZ: Yes, sir.

THE COURT: Okay. Well, are you speaking for the defense on thi point?

MR. HORWITZ: I think if anybody wants to chime in, they can chime in now. But I think what you said is consistent with what you have told us before.

THE COURT: All right. Then move forward with what I'm telling you now and let's not go back over this yet again. Let's put it to bed and move forward.

All right. Now, we do have an argument about Honeywell's responses to contention interrogatories and also argument about conditioning discovery responses on confidentiality. You've heard what the defense has said about that.

And again, I don't know whether this is yours, Mr. Woods or Mr. Lueck. Whoever it is, could you please respond to the assertion that you're just not giving claim

discovery the way you are obligated to.

MR. WOODS: Your Honor, there are several issues there that have been raised.

With regard to claim construction, or contention discovery, we have provided with the defendants with the generalized information that we can have right now that would avoid waiving the privilege at this point. We have asked for. At the earliest point in time, we served the defendants with the discovery upon them to get the very documents upon which we can supplement our contentions. And it was only later that the defendants served their contention discovery. And Your Honor has now, we have clear direction with regard to getting the documents, and we have tried to tell the defendants provide us the documents and then we will supplement our contentions.

Everyone knows that we have identified modules and the basis for infringement is those modules have LCD panels, they have a back light and they have two lens arrays, at least one of which is misaligned. There is no mystery here. What we have asked for, and what we have been asking for since March of this year, has been the documents from the defendants to which we can point to basically prove up our case. And we are certainly prepared to do that as soon as we can provide it, as soon as that documentation is provided.

With regard to protective order issues, our position is and has always been we asked for documents and all we're asking for is a mutual exchange of documents. The parties have been working on a protective order. Candidly, I'm not sure I know what protective order is at issue because we certainly understand the local rule of the court and the parties are working on a more formalized protective order, but we are not withholding any documents from a protective order standpoint. Rather, we're saying, defendants, you did not produce documents to us. Can't we just agree upon a mutual exchange of documents? Because it seems only fair that since we were the first ones to submit document requests, that the parties, at a very minimum, should do a mutual exchange. And that is acceptable to us.

THE COURT: All right. Who has got this one for the defendants?

MR. HORWITZ: Your Honor, this is Rich Horwitz again.

I don't understand what contentions Mr. Woods says they've already given us. We've given you some examples and basically they said you meet the claim limitations without anything specific and they have products that they have broken down and that they have said infringe. And what the defendants are asking is for them to tell us the basis of that claim of infringement.

It's not privileged. We're not asking them to give us the memo that they wrote to the client that says we think these 10 products infringe and here is why and this is a stronger argument and this is a weaker argument. We don't need that. We're not entitled to the work product. What we are entitled to are the factual contentions, the bases of alleged infringement, and that is what we're not getting.

THE COURT: All right. Now, stop there.

Go ahead, Mr. Woods. Respond to that, please.

MR. WOODS: Your Honor, we provided. And I provided it just a few minutes ago and I can provide it again.

THE COURT: Well, wait, wait, wait.

MR. WOODS: In our view, the claim is very straightforward.

THE COURT: Well, stop, Mr. Woods, because I don't think you're answering the point here.

MR. WOODS: Okay.

THE COURT: I don't think anybody is disagreeing with you that you said what you view as the essential elements of the claim. And now what they are telling me is, look, as to -- pick a defendant. As to Apple -- well, pick a manufacturer defendant. Select a name. Whoever it is.

MR. WOODS: I'll pick Seiko Epson.

THE COURT: Fine, Seiko Epson. That Seiko Epson says to you, okay, you've accused my product XYZ of infringing. What is your basis for saying that that product infringes? And then it's incumbent upon you as a matter of contention to say, well, one of the claims is that there be a back lit aspect. And here, in your product, is a back lit aspect. It's this piece of hardware. It has two lens. Yours has two lens. We can identify those there, this and this. And one of them is misaligned in the product we took from you. This is how. We say that this one or both are misaligned.

I mean I understand that to be what the defense is saying. That you've got to take it out of the abstract, which is claim language, and apply it to devices to say, and here is why we say your device infringes. That is our contention about the facts of your thing that meet our claim limitations. That's what I understand them to be saying you're declining to do at this point.

MR. WOODS: No, Your Honor. On the contrary, we have done that. We have told them that every single module that we have accused has those. Now, the question is, how do we prove that? We have a module. We have a module we tore it down.

THE COURT: Did you identify things? I mean when you say we've told them all of them infringe, have you

said to them here is a model, here is how it infringes? These are the limitations of the claim and here is how this model infringes? That is what they're saying you haven't done. Are you telling me you have done that?

MR. WOODS: No, no, Your Honor. We have told them this as a general matter. We have also agreed to provide supplementation on that. What we're asking is, is give us the assembly drawing so we can point to them. So we can say -- all right. So, for example, let's take a Seiko Epson module. There will be assembly drawings that show exactly where those are, all the elements. And all we're saying is give us the documents so we have a common means of discussion so that we can point to the very thing that is the lens array.

THE COURT: All right. Mr. Horwitz, what is your response to the assertion that they're happy to respond but you won't give them basic documentation that will allow a foundation for discussion with precision?

MR. HORWITZ: Well, a couple of things, Your Honor. And then maybe Robert Benson, who represents Seiko Epson who has been involved directly in this back and forth of Mr. Woods, may want to chime in.

But I think that even without those documents -- and I can tell you. Mr. Woods talked about document production. I didn't get there yet and I can tell you

about that. But even without the document, they shouldn't be able to give up the basis on which they made the claims from the broken down module. That information isn't privileged. They should have given that to us when they responded the first time. They should give it to us now.

THE COURT: All right. Well, go ahead and pass the ball to your colleague then.

MR. BENSON: Okay. This is Robert Benson. And just reiterating what Mr. Horwitz was saying there, we did serve a couple of interrogatories on Honeywell asking for the basis of its infringement contentions and the details of its analysis of those modules it has already torn down.

We understand that Honeywell has identified at least seven or eight distinct model numbers and I believe they tore down more than 10 different physical modules and, on that basis of that tear down, have accused the modules of infringement.

We asked them state the basis for that. State the details of your analysis. They came back and said we can't do that because it's privileged because it was our prefiling investigation. And what we are asking for I think in level of specificity is what Your Honor suggested a moment ago, which is you broke down this module. Which part of this module are you contending meets the claim limitation "light source?" Which component in this module are you

contending is the lens array? We asked them what is the degree of misalignment you measured? They said I can't tell you that either.

THE COURT: All right. Good enough. Look, here is the short of it. Once again I'm trapped in the "you go first" game that you folks are playing. It's got to stop.

Honeywell, you are obligated to answer contention interrogatories even early in the case. That's why in the trial management order that I put out; and I believe I put out in this case, because I'm pretty sure I put it out in all of my cases; you've got an obligation. I encourage the parties to file contention interrogatories early and I require answers early; which is not to say that you can't amend your answer as you get greater detailed information, as they come forward with spec drawings that you asked for; that you can't supplement, if you think you need to, contention interrogatory response; or if you think your response is adequate, that you can't then use that other information later in the trial if you think it bolsters the contention interrogatory response you took before. But what you can't do is to hang back and say I'm not telling you until you tell me. That isn't how it works.

So to the extent the defense is complaining that

you won't tell them, look, in response to your request for how Model XYZ infringes, here is our response. It infringes in the following way: Claim 1 says you've got to have a light source. In this XYZ model, the light source is A, technical description, the best you can give it. Whatever you are able to do.

In short, it's certainly not work product protected that you have a view about why they infringe. Give them your view about how it is the things they make infringe your patent. You're obligated to do it. That is what contention interrogatories are about. So that ought to be clear. I hope it's clear now.

And on the defense side, I'm not sure why you're not giving them drawings they're asking for; but if they've got an accused device and they have identified it as an infringing device, and they're asking for background information about it, including technical drawings, I'm not sure what possible reason you could have for not giving it to them. Give it to them.

Does that iron you out the problem? Is there still a problem here with that instruction given, Mr. Woods?

MR. WOODS: No, Your Honor.

THE COURT: Mr. Horwitz?

MR. HORWITZ: No, Your Honor.

THE COURT: Okay. Well, then I'm nonplussed

that it requires a court's intervention to deal with this which seems to me to be a pretty basic discovery point in patent cases but I'm glad to hear it's resolved.

Okay. Now we had some other letters that were flying around that indicated there may be some additional problems that need to be addressed.

MR. HORWITZ: Your Honor, this is Rich Horwitz.

There was another category of information that we included in the general defendants' letter and that relates to information on Honeywell's product. Could I address that now before we move on to the defendants' specific issues?

THE COURT: That's fine.

MR. HORWITZ: Your Honor, we think that they should be required to produce the information that we requested about their own products. It's difficult to just take their word for it when they say that they don't infringe. But even beyond that, in the letter that came from Mr. Grimm yesterday, in response, all they say is that they didn't manufacture anything embodying the claims of the '371 patent and obviously they could have sold or offered to sell something that embodied the claims of the '371 patent. The information on their product is important to us for a number of reasons, including marking. If they manufactured, sold anything in the market, that obviously has implications

in this case. Honeywell also has been in this business for a long time. Some of their own material might be prior art for the '371 patent.

Even if they're right, Your Honor, that none of their products are embodiments, the '371 patent, that in and of itself is relevant to a lack of commercial success argument that we would make. If they didn't use it, how good could it be? And in that context, we would be entitled to information, possibly in a summary fashion, on whatever sales they made of their own products that didn't incorporate the '371 patent.

So those are the reasons why we think they can't just stonewall us as they have done so far on that issue.

THE COURT: Who has got this for plaintiffs?

MR. WOODS: I do, Your Honor. Matt Woods here.

THE COURT: Okay.

MR. WOODS: There has been no stonewalling at all. This case is about portable electronics consumer goods. Honeywell has never been, and is not now, a participant in that industry.

As the defendants all well know through detailed interrogatories answers, the invention of the '371 patent came out of work on a cockpit display for Boeing, the 777 Boeing aircrafts, as the defendants also know through detailed interrogatory answers. There, the decision was

made not to incorporate the invention into that display.

Now, Honeywell has agreed to produce all the documents regarding the invention process. They have also agreed to produce all the documents even on a broader category regarding this cockpit display project so that, in fact, the defendants can verify and test Honeywell's allegations.

So really we view this as a nonissue. And we're prepared to produce the documents. I think what we're hearing from Mr. Horwitz, well, we're entitled to basically get everything from Honeywell. Well, you know, we're suggesting we're producing all the documents that are related to this effort. We're certainly producing all the prior art that we're aware of. And we're just saying, look, everything else I think falls in the realm of a fishing expedition because there is no definition to it.

THE COURT: Mr. Horwitz, do you want to respond to the assertion that to the extent they've got anything responsive, they're giving it to you?

MR. HORWITZ: Well, I guess it depends on what they believe is responsive, Your Honor, and what we believe is responsive. I'm not sure what else to say. We think it's a broader inquiry than they think it is.

THE COURT: Well --

MR. ROSENTHAL: Your Honor, this is Lawrence

Rosenthal for Fuji. Could I make an observation here?

THE COURT: Yes, you can quickly, but it's got to be -- yes, go ahead.

MR. ROSENTHAL: I think Mr. Woods said it all when he said, in one breath, this is about portable devices, and in the next breath, but the patent is all about cockpit displays.

I think while their discovery is focused on portable devices, we're entitled to take discovery on cockpit displays because that was the focus in 1990 when the invention was, apparently, it was a practice given to a Japanese company. That much we know.

THE COURT: Well, hold on just a second.

Mr. Woods, are you suggesting that they can't take discovery into the development of the invention, itself?

MR. WOODS: Absolutely not, Your Honor.

THE COURT: Yes.

MR. WOODS: Of course, they can.

THE COURT: Well, I didn't think you were. Looks, it sounds to me like this isn't a dispute that is much of a dispute. You guys need to get back and talk to each other sensibly about this.

I hear the plaintiff saying they're giving you information about the development of the invention, prior

art to the extent they know about it, and if they've got information or products associated with the invention, you're getting them.

Have I heard you right, Mr. Woods?

MR. WOODS: That is correct, Your Honor.

THE COURT: Well, then, I don't know what it is exactly that the defendants are complaining about except you think maybe there is something that they're not giving you, but your unformed and, at this point at least, unsubstantiated concern that you are not getting something you are entitled to isn't a basis on which I can wade in, but they're telling me you are getting it and I'm not hearing a basis for disputing that they're giving you what they have that is associated with the development of the patent and whatever product they have which itself would practice the patented invention. So that disposes of that.

Maybe at some point you will have something more to tell me, and I'm not obviously closing the door on any party from further discovery discussions to try to work out issues or concerns that anybody has. Nor am I saying you can't come back to me if you have a well founded concern that I can help you with, but this doesn't fit that description.

Mr. Horwitz, I didn't mean to blow past your letter without having covered things you needed to be

covered. Have we done that now, sir?

MR. HORWITZ: I think we have, Your Honor. Yes.

THE COURT: Well, then there were other concerns that were raised. In particular, the issue about selecting the role of lead defendant. So I'm shifting off discovery at this point. Let me just say does anybody else have a discovery issue that they think needs to be surfaced and has been the subject of a letter and is properly raised on this call and I haven't addressed it yet?

(Pause.)

THE COURT: Okay. I'm hearing nothing.

MR. HAILS: Your Honor, this is Robert Hails for Sony. We did have one letter directed to the license defense issue that is unique to us.

THE COURT: All right.

MR. HAILS: And, real quickly, this is just an issue where we're trying to get information from Honeywell to demonstrate that there is an honest dispute over the scope of the license. Again, this is defining how many products are going to be properly concerned at issue in this particular case. We have a license for our client in which Honeywell agreed not to sue us on camcorders and that term is defined on the license, and then they sued us on camcorders.

THE COURT: Well, let me stop you there because

this is memorialized on a July 20th letter from Mr. Shaw; right?

MR. HAILS: That's right.

THE COURT: Honeywell, did you get a chance to respond to this?

MR. WOODS: No, we did not, Your Honor.

THE COURT: Well, this one isn't properly before me today. I've got a procedure for this and it requires me to give both sides a chance to get their oar on the water before we get on the phone.

MR. HAILS: Okay.

THE COURT: So with that understanding, is there any other discovery dispute where people have had a chance to weigh in that I have, not for lack of trying, but I have overlooked at this point and not addressed?

(Pause.)

THE COURT: Okay. Then let's go ahead and move to the lead counsel dispute.

MR. ROVNER: Your Honor, this is Phil Rovner. I'm going to handle this for the manufacturer defendants.

And I'm bringing to Your Honor's attention my letter to the Court of July 14th and Honeywell responded by letter on this issue on July 20th. I just want to make sure that --

THE COURT: I have those.

MR. ROVNER: Okay. On behalf of the manufacturer defendants, we have really just one goal here. We want to make sure that we put our best foot forward come trial on the first trial on the issues of validity and enforceability. That drives what we had proposed, and it's very simple. And it's identified on page two of our letter where anything can happen with respect to claim construction. The group that we want to try this first phase, we want to make sure that they have the best interest in leading the group effort on those issues.

THE COURT: Mr. Rovner, if I have understood you right, your basic contention is, hey, this isn't a stay against anybody so up through discovery, all of these defendants, all these manufacturer defendants, they're in the harness and they all are responsible for pulling so any one of the group could be in the mix and they should be up to speed because they are all in it through discovery. Right?

MR. ROVNER: Yes, that is absolutely our point. And Honeywell's proposal might have some merit if the discovery was limited to the phase one trial issues, but it's not and so there is no reason to name a lead counsel that would come from this five defendant trial group.

I think they're just unnecessarily linking these things. We believe the best thing to do -- and basically

it's in response to our initial exchange of letters where Honeywell said we don't want claim construction to occur in the May time frame. We had sought to move up claim construction just so everybody would know the five defendants sooner rather than later.

THE COURT: Well, why don't we just say, if your concern is the ground could change, which is the concern have you expressed in your letter, and everybody is going to be equally up to speed on this, maybe the right thing to do is just to hold off on selecting lead counsel until after claim construction on the schedule we've currently got.

MR. ROVNER: Well, that certainly is an option, Your Honor. That is certainly something we would, unless someone believes differently, we would be in favor of. We were just trying to meet Honeywell halfway by moving claim construction up, because not only would we be able to name the five defendants earlier under our new proposal, but it would eliminate one of their issues that they have sought to shield discovery from, which is we need claim construction rulings, for example, to give you our contentions of infringement under the doctrine of equivalents.

So we thought that that would be a compromise proposal but, yes, we would accept just holding back on naming of the defendants and trial defendants until claim construction under the present schedule.

MR. ROSENTHAL: Your Honor, this is Lawrence Rosenthal again.

If I could address one practical consideration. And that is in the current schedule, the likely date of the Court rendering a decision on claim construction steps on the preparation of the pretrial order period, and that was one of our concerns from the get-go when we proposed moving it up three months in order to give time for Your Honor to rule, and then the products to be selected, and then for them to carry the ball on the preparation of the pretrial order which is the key first step in a trial.

THE COURT: Yes. Understood.

All right. Mr. Woods, is this one yours or is this one Mr. Lueck?

MR. WOODS: No, I get this one, too, Your Honor.

THE COURT: All right. You are getting heavy lifting today.

MR. WOODS: We're amenable to what the Court suggested. I'm just waiting for the identification of the lead defendants until after claim construction as set forth in the original scheduling order.

THE COURT: What if that ends up shifting some dates? Because I hear what Mr. Rosenthal saying, and I presume Mr. Rovner would agree with it and other defendants, that you've got to get claim construction in sufficient time

for people to know. Well, not claim construction. You have to have your lead defendants selected in time for them to participate meaningfully in the preparation of the pretrial order.

MR. WOODS: Your Honor, the defendants were -- when the defendants were potentially all on the hook back in March, they had all agreed to the schedule and the dates as originally implemented. And so it is it has only been now where there is the potential that some subset might go first that this is becoming the case. Candidly, I'm a little concerned about the logistical issues of conducting discovery, about Honeywell's time to conduct full dicovery in connection with claim construction. And some of those issues are identified in the letter, including the fact that we are apparently going to have to go to the Far East for a lot of these depositions and have to wrangle with embassies and such because defendants are unwilling to bring their witnesses over here. So I am concerned about handling any erosion or compression of the discovery period prior to claim construction. That could potentially prejudice Honeywell in a situation where Honeywell is being forced to go over to the Far East.

THE COURT: Here is the short of it. I am not moving claim construction up. I think Honeywell's concerns are well founded, although I will say this, Honeywell.

If you think you will have to go through international conventions or you are going to have to take steps associated with getting embassy or consulate space to handle depositions, you should be, I hope you are moving on it now because what will leave me less than sympathetic is to hear, well, we tried for three months to negotiate with the other side for them to bring people and it's then we started making these arrangements. I think you need to assume, sad though it may be, that you have people on the other side who won't make it easy for you and do your arrangement. And then if you can go ahead and get people over to the United States and that is helpful to you, great. But otherwise, you have taken the steps you need to take. Are you with me?

MR. WOODS: Very much, Your Honor. And I can represent to you that we have been working on that issue.

THE COURT: All right. Fine. Well, I'm not moving claim construction up. I understand the concern that Mr. Rosenthal has raised but you know what? I think that in part is a function of you folks being reluctant to go ahead and pick your five. Now, there are some practical problems to pick in the five but I agree with Mr. Rovner that everybody should be moving ahead as if they were going to trial. All of you should be moving ahead as if you were going to trial until we have that identified set of five.

And what I'm hearing from the defendants, well, we just don't think we can pick five right now. Okay? Then you're all getting ready for trial as if you were going to trial and that's the way we'll handle it. If we come to the preparation of the pretrial order and that means that you are going to have to do some hurry up there, I guess that means you will have to do some hurry up.

MR. HAILS: Okay. Thank you.

THE COURT: The schedule is set. It was set in consultation with everybody. I'm not going to have an inability to select the five now throw this thing off. It has been a monumental task, and I don't just mean for the court. Don't get me wrong. I'm not suggesting I've done the heavy lifting. You folks have all been engaged in what is a monumental task, which is trying to get this case to a point where we can get at least the first piece of it on for trial. And I'm just not having it come off the tracks. It's staying on the schedule that it's on. We're moving ahead.

All right. Having said that, I still hope that people are open to the idea of identifying the lead defendants earlier rather than later, but I won't make you do it before claim construction if you really think that makes it impossible.

Okay. Are there any other issues that we need

to address while we're all on the line together?

There is a letter here where Seiko was asking for leave to fully brief something, if I have understood the letter correctly. Am I right?

MR. BENSON: Your Honor, we were raising that at this juncture because it potentially intersected with the discovery issues, but I think that has been inherently resolved insofar as it relates to discovery.

THE COURT: All right. Fine. Good. Then we'll let that go.

(Computerized Voice): Joining conference.

THE COURT: You're a little late, whoever has just joined.

(Unidentified Speaker): My apologies, Your Honor. I got dropped.

THE COURT: Last, but not least, I got a couple letters directly from Mr. Benson on behalf of Seiko, and I would just ask that you make sure you submit things through local counsel, if you would.

MR. BENSON: Thank you, Your Honor. We did recognize that and tried to correct it.

THE COURT: Okay. Now, Mr. Woods, is there anything else from the plaintiffs' perspective that we need to take up on this call, sir?

MR. WOODS: Nothing, Your Honor.

THE COURT: Okay. Mr. Horwitz or Mr. Rovner, you folks have done most the speaking for the defense. Anything?

MR. HORWITZ: I don't think so, Your Honor.

MR. ROVNER: No, Your Honor.

THE COURT: Okay. Does anybody else on the defense side feel like you need to weigh in?

(Pause.)

THE COURT: All right. Well, then thanks for your time today, and I hope we're able to work out other things going forward and things stay on track. Talk to you later.

(The attorneys respond, "Thank you, Your Honor.")

(Telephone conference ends at 12:05 p.m.)